

86<sup>th</sup> Legislative Session – 2011

Committee: Senate Taxation

Wednesday, February 09, 2011

P - Present  
E - Excused  
A - Absent

Roll Call

P Fryslie  
P Hundstad  
P Maher  
P Nelson (Tom)  
P Nygaard  
P Lederman, Vice-Chair  
P Hansen (Tom), Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by chair, Senator Tom Hansen.

MOTION: TO APPROVE THE MINUTES OF MONDAY, FEBRUARY 7, 2011

Moved by: Lederman  
Second by: Fryslie  
Action: Prevailed by voice vote.

SB 145: revise the provisions concerning the types of taxes that the state may enter into compacts with Indian tribes.

THE CHAIR DEFERRED SB 145 UNTIL MONDAY, FEBRUARY 14, 2011

SB 167: repeal certain sales and use tax exemptions.

Presented by: Senator Eldon Nygaard  
Proponents: Senator Ryan Maher  
Opponents: David Bordewyk, SD Newspaper Association  
Zach Lautenschlager, SD Tea Party Alliance & Campaign for Liberty

MOTION: AMEND SB 167

167fb

On the printed bill, delete everything after the enacting clause and insert:

" Section 1. That § 10-45-14.2 be repealed.

~~—10-45-14.2. Ink and newsprint when used in the production of shoppers' guides are hereby exempt from the tax imposed under this chapter.~~

~~—For the purposes of this section the term, shoppers' guide, includes for numerous advertisers advertising publications whose advertisements are solicited from the general public and whose publications are for free distribution to the general public and are published regularly at least once a month, consisting of printed sheets containing advertising, bearing a date of issue, and devoted to advertising of general interest.~~

Section 2. That § 10-45-110 be repealed.

~~—10-45-110. There are hereby specifically exempted from the provisions of this chapter and from the computation of the amount of tax imposed by it, gross receipts from the sale of coins, currency, or bullion. For the purposes of this section, the term, bullion, means any bar, ingot, or commemorative medallion of gold, silver, platinum, palladium, or a combination of these metals where the value of the metal depends on its content and not the form. For the purposes of this section, the terms, coins and currency, mean any coins or currency made of gold, silver, or other metal or paper which is or has been used as legal tender.~~

Section 3. That § 10-46-9 be amended to read as follows:

10-46-9. The use in this state of tangible personal property including containers, labels, and shipping case thereof which is intended shall, by means of fabrication, compounding or manufacture become a part of other tangible personal property intended to be sold ultimately at retail within or without the State of South Dakota, is hereby specifically exempted from the tax imposed by this chapter. The term, tangible personal property, shall be construed to include without limiting the meaning of said the term, raw material and newspaper print.

Section 4. That § 10-46-9.1 be repealed.

~~—10-46-9.1. Ink and newsprint when used in the production of shoppers' guides are hereby exempt from the tax imposed under this chapter.~~

~~—For the purposes of this section the term, shoppers' guide, includes advertising publications~~

~~whose advertisements are solicited from the general public and whose publications are for free distribution to the general public and are published regularly at least once a month, consisting of printed sheets containing advertising, bearing a date of issue, and devoted to advertising of general interest.~~

Section 5. That § 10-46-71 be repealed.

~~—10-46-71. There are hereby specifically exempted from the provisions of this chapter and from the computation of the amount of tax imposed by it, gross receipts from the sale of coins, currency, or bullion. For the purposes of this section, the term, bullion, means any bar, ingot, or commemorative medallion of gold, silver, platinum, palladium, or a combination of these metals where the value of the metal depends on its content and not the form. For the purposes of this section, the terms, coins and currency, mean any coins or currency made of gold, silver, or other metal or paper which is or has been used as legal tender.~~

Section 6. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as follows:

There is hereby imposed a tax at the rate of four percent upon the gross receipts of any person from the engaging in the business of renting mini-storage units, self-storage units, or storage space.

Section 7. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as follows:

An excise tax is hereby imposed on the privilege of the use of mini-storage units, self-storage units, or storage space in this state at the rate of four percent of the rental payments for use of the property."

Moved by: Maher  
Second by: Nygaard  
Action: Prevailed by voice vote.

MOTION: AMEND THE PENDING AMENDMENT

167fc

On the previously adopted amendment (167fb), delete Sections 6 and 7.

Moved by: Nygaard  
Second by: Maher

Action: Prevailed by voice vote.

MOTION: DO PASS SB 167 AS AMENDED

Moved by: Maher

Second by: Lederman

Action: Prevailed by roll call vote. (4-3-0-0)

Voting Yes: Hundstad, Maher, Nygaard, Lederman

Voting No: Fryslie, Nelson (Tom), Hansen (Tom)

MOTION: AMEND TITLE OF SB 167

167fta

On page 1, line 1, of the printed bill, delete everything after "sales" and insert "and use tax exemptions."

On page 1, delete line 2.

Moved by: Nelson (Tom)

Second by: Nygaard

Action: Prevailed by voice vote.

SB 74: classify certain farm winery land as agricultural.

MOTION: REMOVE SB 74 FROM THE TABLE

Moved by: Nygaard

Second by: Lederman

Action: Prevailed by roll call vote. (6-1-0-0)

Voting Yes: Hundstad, Maher, Nelson (Tom), Nygaard, Lederman, Hansen (Tom)

Voting No: Fryslie

MOTION: ADJOURN

Moved by: Hundstad

Second by: Lederman  
Action: Prevailed by voice vote.

Lois Henry  
Committee Secretary

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Tom Hansen, Chair